

Monthly Grain Crop Review

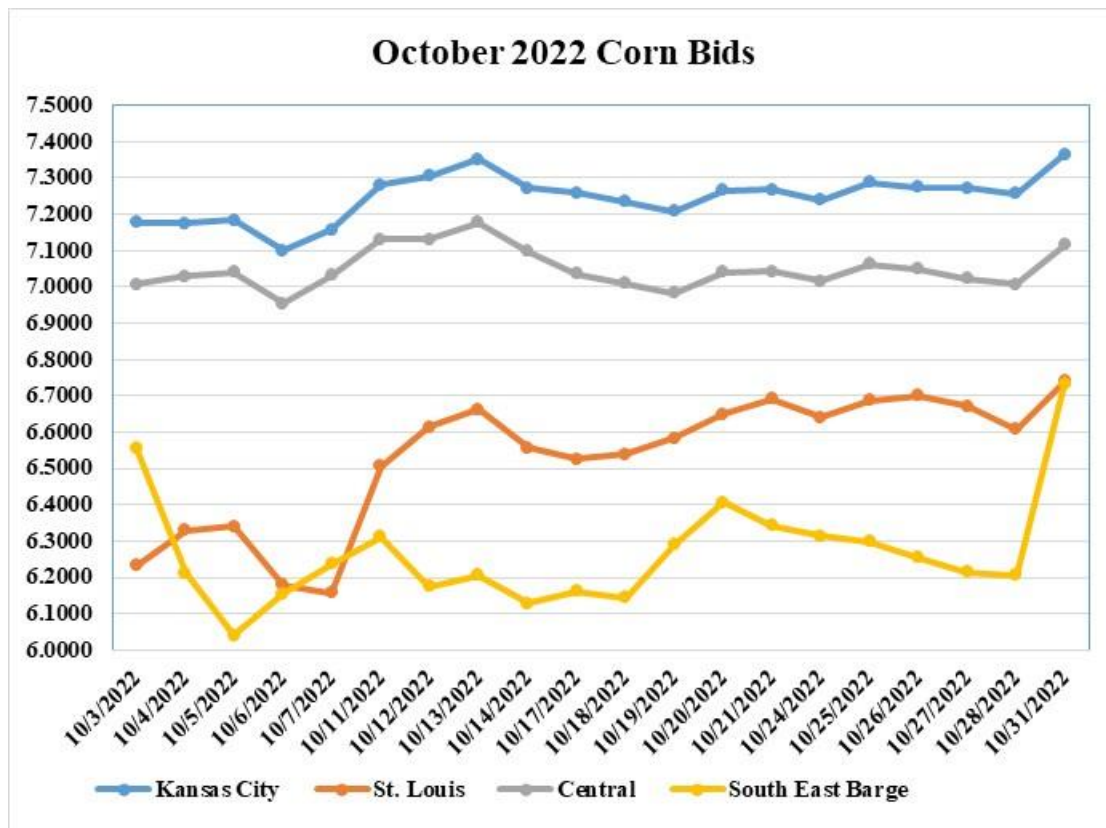
October 2022

Jefferson City, MO Wednesday, November 02, 2022 MO Dept of Ag/USDA Market News

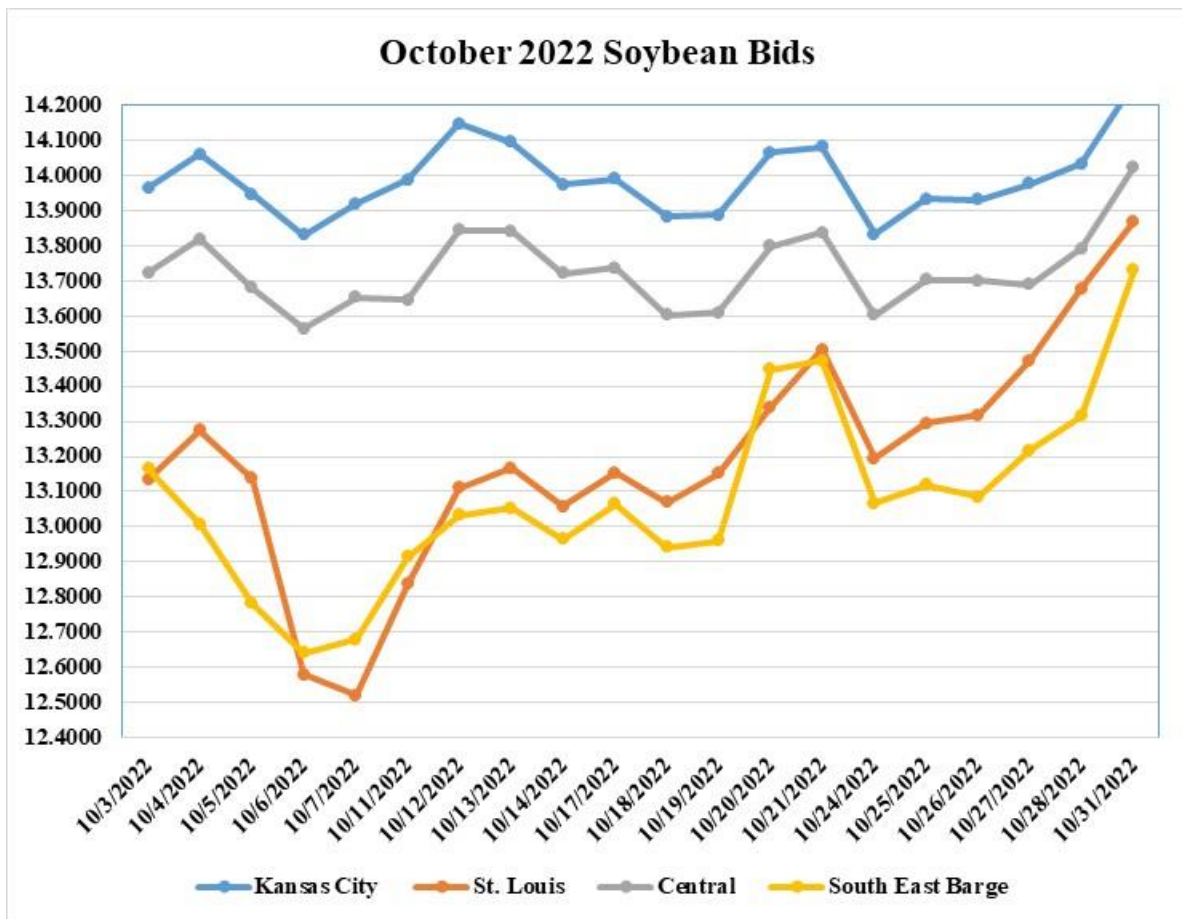
Drought continues to show its impact across Missouri. As of the most recent drought monitor, 10.24 percent of Missouri is rated D3 Extreme drought, 32.1 percent D2 Severe drought, 46.66 percent D1 Moderate drought, and 11 percent D0 Abnormally dry. There are reports of continued hay feeding and the supply of hay is categorized: 49 percent adequate, 39 percent short, and 12 percent very short. The stock water supply is categorized: 44 percent adequate, 43 percent short, and 13 percent very short. Although Missouri received some very much needed rain in the past week, it had little impact in stopping harvest progress. The most recent Missouri crop progress report showed 83 percent of corn has been harvested, very close to last year's pace and the pace of the five year average. Seventy-three percent of Missouri's soybeans have been harvested, 15 percent ahead of last year's pace and 17 percent ahead of the five year average. In winter wheat, 68 percent has been planted and 35 percent has emerged. Some fall fertilizer application is underway,

While some harvest pressure has impacted the grain market, there are some other factors, as well. Uneasiness with the Ukraine/Russia conflict and the Black Sea Grain Initiative sent grain futures higher at the end of October. The low levels of the Mississippi River have impacted the market and basis levels. Barge rates historically increase during harvest, but low water levels have increased upward pressure on rates, decreasing grain basis from elevators and grain terminals. The latest update from the U.S. Energy Administration showed distillate fuel oil stocks at 106.357 million barrels. Tight supplies continue to impact fuel prices. There is also talk of a record Brazil soybean crop, creating some resistance to price levels.

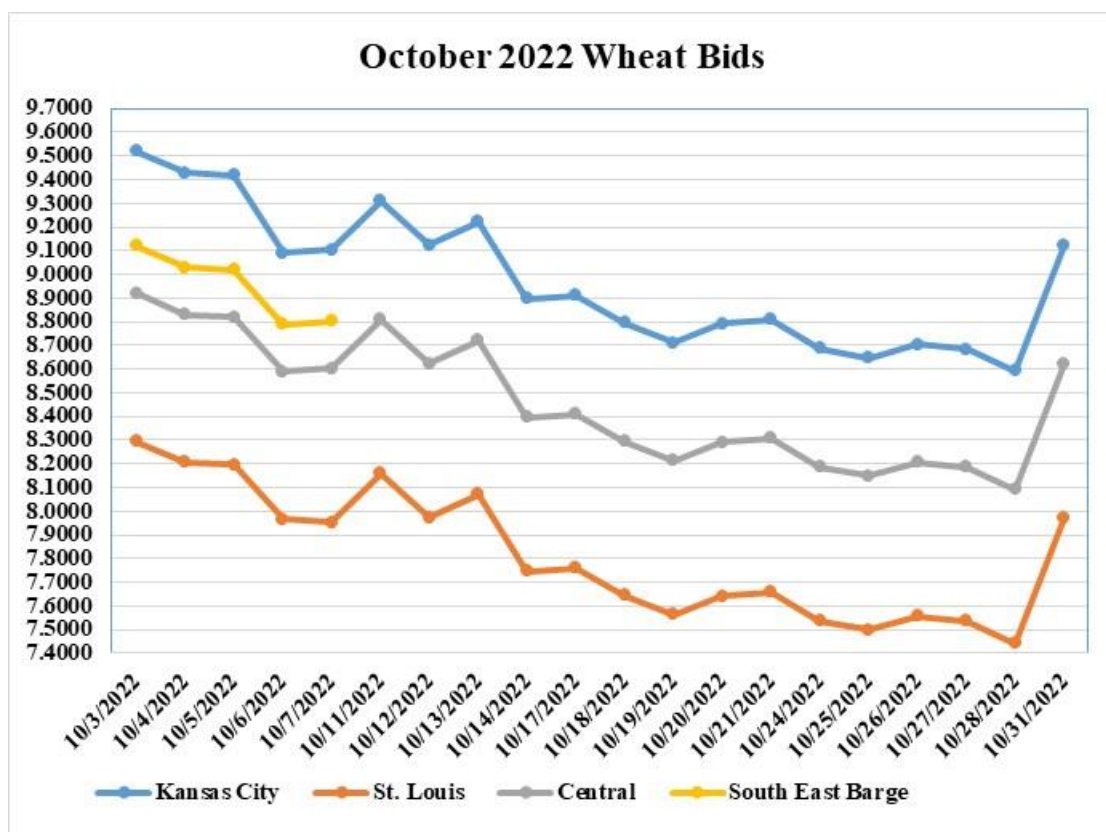
This month's WASDE report showed U.S. corn production estimated at 13.895 billion bushels, a decrease of 49 million, due to a yield reduction to 171.9 bushels per acre. Supplies were decreased by 172 million bushels to 15.322 billion bushels, because decreased production and beginning stocks were partly offset by increased imports. Soybean production was decreased by 65 million bushels to 4.3 billion bushels. Soybean yield was decreased by 0.7 bushels to 49.8 bushels per acre, but harvested area was unchanged. Supplies were also decreased by 31 million bushels, due to lower production offsetting higher beginning stocks. Wheat production was also decreased by 133 million bushels to 1.65 billion. Wheat exports were lowered to 775 million bushels, a 50 million bushel decrease, due to lower supplies. If realized, this would be the lowest U.S. wheat exports since the 1971/72 growing season. Forecasted ending stocks were forecasted at 576 million bushels, a decrease of 34 million bushels.



The average October corn bid in Missouri was 6.77, 0.33 lower than September's average corn bid. Statewide, corn bids ranged from 0.02 to 0.61 lower than last month's averages. Compared to October 2021, this month's corn bids were 1.33 to 1.93 higher, with the combined average 1.56 higher than a year ago. On October 31, area average corn bids closed from 0.11 to 0.51 higher, when compared to October 3.



The average October soybean bid in Missouri was 13.50, 1.41 lower than September's average soybean bid. Statewide, soybean bids ranged from 0.88 to 2.15 lower than last month's averages. Compared to October 2021, soybean bids were 1.06 to 1.72 higher, with the combined average 1.37 higher than a year ago. On October 31, area average soybean bids closed from 0.30 to 0.73 higher, when compared to October 3.



The average October wheat bid in Missouri was 8.42, 0.15 lower than a month ago. Statewide, wheat bids ranged from 0.53 lower to 0.08 higher than last month's averages. Compared to October 2021, wheat bids were 1.36 to 1.92 higher, with the combined average 1.64 higher than a year ago. On October 31, area average wheat bids closed from 0.30 to 0.40 lower, when compared to October 3.

*Sets of data for the graphs are from the Missouri Grain Cash Bids report that is published daily. Only dates in which markets are trading are represented.

*Axis value ranges may be updated to reflect data points.

Source: MO Dept of Ag/USDA Market News Service, Jefferson City, MO
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